

# EXECUTIVE SUMMARY

## Parking Meter Utilization Improvement Plan

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### OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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**Date Issued:** March 4, 2011

**IBA Report Number:** 11-12

**City Council Docket Date:** March 8, 2011

**Item Number:** 332

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The City Council is being asked to adopt an ordinance to implement the Parking Meter Plan. The ordinance would amend the Municipal Code to establish an on-street target utilization rate of 85% for parking meters and ensure payment compliance by users of multi-space pay stations. In order to achieve the target utilization rate, the ordinance would authorize performance-based parking meter pricing (variable rates) and flexible meter operating hours.

Additionally, the City Council is being asked to adopt a resolution to amend Council Policy 100-18 to 1) cover all administrative and parking meter related costs before meter revenues are allocated between the City and the Community Parking Districts (CPDs), 2) allow CPDs to use allocated funds for pedestrian comfort and convenience, or vehicular convenience, and 3) to specify that CPD Boards or designated advisory groups will monitor meter activity and provide recommendations to the City in order more efficiently manage on-street parking.

On January 26, 2011, staff presented the proposed Parking Meter Plan to the Budget and Finance Committee. The Committee directed staff to return to City Council with the necessary actions to implement the Plan.

Based on its potential to enhance on-street parking conditions in the City's metered districts and, secondarily, the possibility of ensuring better recovery of eligible traffic and parking expenses, the IBA recommends the City Council adopt the proposed ordinance and resolution.

Staff estimates that a net increase in parking meter revenue of up to \$.95 million annually if the Parking Meter Plan is phased in over FY 2012. Based on our discussions with City staff, the IBA believes that accurately projecting additional net meter revenue is challenging given that Plan variables are difficult to accurately predict at this time (actual meter utilization, the timing of Plan implementation, subsequent meter modifications, other associated plan costs, etc.).

While additional parking meter revenue could be prospectively included in the Proposed Budget for FY 2012, the IBA recommends that the program first be implemented and evaluated with a goal of including additional meter revenue into the budget process once its receipt is more certain.